

State of Arkansas  
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As Engrossed: S3/4/15 H3/19/15  
**A Bill**

SENATE BILL 636

By: Senators J. Woods, Hester  
By: Representative Della Rosa

### For An Act To Be Entitled

AN ACT TO CREATE THE DEPARTMENT OF ARKANSAS STATE POLICE HEADQUARTERS FACILITIES AND EQUIPMENT FINANCING ACT; TO PROVIDE FUNDING UNDER THE DEPARTMENT OF ARKANSAS STATE POLICE HEADQUARTERS FACILITIES AND EQUIPMENT FINANCING ACT; TO MAKE RELATED CHANGES; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

### Subtitle

TO CREATE THE DEPARTMENT OF ARKANSAS STATE POLICE HEADQUARTERS FACILITIES AND EQUIPMENT FINANCING ACT; TO PROVIDE FUNDING FOR THE DEPARTMENT OF ARKANSAS STATE POLICE; AND TO DECLARE AN EMERGENCY.

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

SECTION 1. DO NOT CODIFY. Legislative intent – Repeal of Acts 1997, No. 1057.

(a)(1) It is the intent of the General Assembly to update the Department of Arkansas State Police Headquarters Facility and Wireless Data Equipment Financing Act as established by uncodified Acts 1997, No. 1057, by repealing Acts 1997, No. 1057, and enacting this act.

(2) It is not the intent of the General Assembly to:

(A) Affect any bonds issued under Acts 1997, No. 1057; or



(B) Allow the existence of bonds issued under Acts 1997, No. 1057, to impair the effectiveness of this act or the authority given under this act.

(b) Acts 1997, No. 1057, is repealed.

SECTION 2. Arkansas Code Title 12, Chapter 8, is amended to add an additional subchapter to read as follows:

Subchapter 6 – Department of Arkansas State Police Headquarters Facilities and Equipment Financing Act

12-8-601. Title.

This subchapter shall be known and may be cited as the "Department of Arkansas State Police Headquarters Facilities and Equipment Financing Act".

12-8-602. Legislative findings.

The General Assembly finds that:

(1) The Department of Arkansas State Police is faced daily with:

(A) Maintaining the most efficient and secure methods of transmitting and processing information between officers in the field and headquarters;

(B) The need to maintain and develop the most efficient means of allocating department personnel and other resources, particularly in emergency circumstances; and

(C) The need to design, construct, and maintain facilities from which the department's personnel and resources may be stationed and deployed;

(2) There is a need to continuously improve, upgrade, expand, and maintain the department's headquarters facilities and communication and information technology systems and equipment to support the police force and its mission to protect and serve the citizens of the state;

(3) A *designated* method of financing is necessary to enable the department to obtain and maintain communication and information technology equipment and headquarters facilities;

(4) The use of tax-exempt revenue bonds to finance communication and information technology equipment and headquarters facilities has proven to be an economical and cost-efficient method for financing equipment and

facilities for the department;

(5) Certain driver license fees have been pledged and utilized by the department since 1997 to finance equipment and facilities for the department;

(6) These driver license fees *should continue to* be designated as a source of funding to be utilized and pledged by the department to finance or purchase communication and information technology equipment and headquarters facilities;

(7) Communication and information technology equipment and headquarters facilities are needed to maintain modern law enforcement and are, therefore, essential to the safety and welfare of the people of the state; and

(8) The most feasible and least expensive way of providing a *designated* source for financing the acquisition and construction of headquarters facilities and communication and information technology equipment is to authorize the use of revenue bonds and designate certain driver license fees to be utilized and pledged for that purpose.

12-8-603. Definitions.

As used in this subchapter:

(1) "Acquire" means to acquire by purchase or otherwise, construct, repair, alter, install, restore, or place on land or in a building or motor vehicle by negotiation or bidding on terms and conditions that:

(A) Are determined by the Arkansas State Police Commission to be in the best interests of the Department of Arkansas State Police; and

(B) Will most effectively serve the purposes of this subchapter;

(2) "Communication and information technology equipment" means:

(A) Wireless data and related technologies equipment, including without limitation workstations, modems, and other vehicle-based equipment, network controllers, computer-aided dispatch equipment, central information services sites with related server computers and controllers, software and information support;

(B) Furnishings and fixtures used in connection with the operation of equipment described in subdivision (2)(A) of this section; and

(C) Other equipment, property, and items determined by the

commission to be necessary to accomplish the purpose of this subchapter;

(3) "Cost" means the costs related to a headquarters facility or communication and information technology equipment, including without limitation the following:

(A) The costs of the acquisition of communication and information technology equipment and the related costs, including without limitation engineering, architectural, consulting, and related services;

(B) The cost of acquiring an interest in real estate for the location of a headquarters facility that provides necessary or recommended access or buffer zones or that facilitates the delivery of utility services and the related costs, including without limitation engineering, architectural, consulting, and related services;

(C) The cost of the preparation of plans, specifications, studies, surveys, and estimates of cost and revenues;

(D) Other expenses necessary or incident to planning, providing, or determining the need for or the feasibility of the headquarters facility or communication and information technology equipment;

(E) The costs of related software for the operation and support of the communication and information technology equipment;

(F) The costs of database development and other information sources and the training required for the efficient use of communication and information technology equipment; and

(G) The costs paid or incurred in connection with the issuance of bonds by the Arkansas Development Finance Authority to finance the acquisition, development, upgrade, improvement, or expansion of a headquarters facility or communication and information technology equipment;

(4) "Debt service payment" means a payment to be made by the department from pledged revenues or other legally available sources to secure and provide for payments due on any bonds or other obligations issued by the authority to accomplish the purposes of this subchapter;

(5) "Financing documents" means a note and mortgage, loan agreement, lease purchase agreement, trust indenture, and related documents executed in connection with the issuance of bonds by the authority to finance headquarters facilities or communication and information technology equipment;

(6) "Headquarters facility" means part or all of one (1) or more

items or properties used by the department to accomplish or facilitate its purposes, including without limitation:

(A) Land, buildings, fixtures, infrastructure, improvements, furniture, equipment, software, and personal property necessary or convenient to the land, buildings, fixtures, infrastructure, improvements, furniture, equipment, and software; and

(B) Engineering, design, construction, or architectural plans related to a property used by the department;

(7) "Pledged revenues" means the fees generated under § 27-16-801(a) and § 27-23-118(a)(3) that may be pledged for the security and payment of debt service payments under this subchapter; and

(8) "Purchase agreement" means an agreement entered into by the commission with a vendor to acquire a headquarters facility or communication and information technology equipment.

12-8-604. Pledge of revenues.

The fees generated under § 27-16-801(a) and § 27-23-118(a)(3) shall be:

(1) Pledged to meet obligations authorized under this subchapter; and

(2) Used by the Department of Arkansas State Police as provided in this subchapter.

12-8-605. Arkansas State Police Commission – Powers.

The Arkansas State Police Commission may:

(1) Acquire, construct, repair, renovate, alter, maintain, and equip headquarters facilities and communication and information technology equipment;

(2) Contract to acquire headquarters facilities and communication and information technology equipment on the terms and conditions specified by this subchapter and approved by the Director of the Department of Arkansas State Police with the consent of the commission;

(3) Provide for the payment of the costs associated with the acquisition of headquarters facilities and communication and information technology equipment from any legally available source, including without limitation pledged revenues and funds appropriated and made available under § 12-8-101 et seq.;

(4) Enter into financing documents and agreements with the Arkansas Development Finance Authority that are necessary and appropriate to secure obligations issued by the authority that will facilitate the acquisition of the headquarters facilities and communication and information technology equipment; and

(5) Take other action, not inconsistent with law, that may be necessary, convenient, or desirable to carry out the powers, purposes, and authority stated in this subchapter or to carry out the intent of this subchapter.

12-8-606. Use of pledged revenues.

(a)(1) The debt service payments and other costs relating to a headquarters facility or communication and information technology equipment shall be secured by a lien on and pledge of the pledged revenues.

(2) To the extent that pledged revenues are not required to make debt service payments, the pledged revenues shall be released to the Department of Arkansas State Police to provide operating funds as described in this section.

(b)(1) All pledged revenues are cash funds restricted in their use and dedicated and to be used solely as provided in this subchapter.

(2) When pledged revenues are received by the Commissioner of Motor Vehicles, the Office of Motor Vehicle, the Department of Arkansas State Police, the Arkansas State Police Commission, the Department of Finance and Administration, or any other state agency, the pledged revenues shall be deposited as cash funds into a bank selected by the Department of Arkansas State Police to the credit of the Department of Arkansas State Police Financing Fund.

(c)(1) On the date that the Arkansas Development Financing Authority issues bonds under this subchapter and the Arkansas Development Finance Authority Act, §§ 15-5-201 – 15-5-211, 15-5-213, and 15-5-301 – 15-5-316, any revenues in the Department of Arkansas State Police Financing Fund shall be pledged revenues.

(2) Debt service payments shall be paid from the Department of Arkansas State Police Financing Fund as stated in the financing documents.

(3)(A) If all debt service payments have been properly made on the last day of each fiscal quarter, the pledged revenues remaining in the

Department of Arkansas State Police Financing Fund shall be withdrawn from the Department of Arkansas State Police Financing Fund and deposited into the State Treasury as special revenues to the credit of the Department of Arkansas State Police Fund.

(B) However, if any debt service payments remain to be paid under this subchapter, all moneys in the Department of Arkansas State Police Financing Fund shall continue to be pledged to the debt service payments and other costs in connection with the bonds and the maintenance of reserves, notwithstanding the right of the Department of Arkansas State Police to withdraw funds on the last day of each fiscal quarter if debt service payments are current.

(d) If any debt service payments remain to be made, the General Assembly may modify or change the pledged revenues only if there is always maintained in effect and made available for the payment of debt service payments, sources of revenue comparable in amount and time of receipt that produce revenues sufficient to provide for and secure debt service payments when due.

12-8-607. Department of Arkansas State Police Financing Fund.

(a) There is created the Department of Arkansas State Police Financing Fund.

(b) The fund is a cash fund of the Department of Arkansas State Police and shall be used as provided in this subchapter.

12-8-608. Sunset.

This subchapter shall expire twenty (20) years from the effective date of this act.

SECTION 3. Arkansas Code § 19-6-301(128), concerning the enumeration of special revenues, is repealed.

~~(128) Driving test examination fees, § 27-16-801(a)(1)(C);~~

SECTION 4. Arkansas Code § 19-6-301(150), concerning the enumeration of special revenues, is amended to read as follows:

(150) Commercial driver license examination fees, § 27-23-110(d), and that portion of commercial driver license application fees, § 27-

~~23-118(a)(3);~~

SECTION 5. Arkansas Code § 19-6-301(202), concerning the enumeration of special revenues, is repealed.

~~(202) Additional driver's license fees, § 27-16-801;~~

SECTION 6. Arkansas Code § 19-6-301(220), concerning the enumeration of special revenues, is amended to read as follows:

(220) That portion of ~~driver's~~ driver license special fees for duplicate and identification licenses, ~~as enacted by Acts 1977, No. 311, and all laws amendatory thereto, § 27-16-801, § 27-16-805, and § 27-16-806(c);~~

SECTION 7. Arkansas Code § 19-6-404 is amended to read as follows:

19-6-404. Department of Arkansas State Police Fund.

The Department of Arkansas State Police Fund shall consist of:

(1) Those special revenues as specified in § 19-6-301(1), (5), (7), (8), (38)-(40), (94), ~~(128)~~, (150), (168), (175), (184)-(186), (190), ~~(202)~~, (218)-(220), (222), (226), (227), (234), and (252);

(2) Moneys transferred or deposited from the State Administration of Justice Fund; ~~and~~

(3) Those general revenues as may be provided by law, there to be used for the maintenance, operation, and improvement of the Department of Arkansas State Police in carrying out the functions, powers, and duties as ~~set out by~~ stated in § 12-8-106 or other duties imposed by law upon the department; and

(4) Any revenues credited to the Department of Arkansas State Police Fund under the Department of Arkansas State Police Headquarters Facilities and Equipment Financing Act, § 12-8-601 et seq.

SECTION 8. Arkansas Code § 27-16-801(d), concerning the disposition of certain driver license and examination fees, is amended to read as follows:

(d) All license fees collected under subsection (a) of this section shall be ~~deposited into the State Treasury as special revenues, and the net amount thereof shall be credited to the Department of Arkansas State Police Fund, to be used for the operation, maintenance, and improvement of the Department of Arkansas State Police~~ cash funds restricted in their use and

shall be deposited into a bank selected by the Department of Arkansas State Police to the credit of the Department of Arkansas State Police Financing Fund.

SECTION 9. Arkansas Code § 27-16-801(g), concerning the disposition of certain driver license and examination fees, is repealed.

~~(g) Such fees as are collected under subsection (a) of this section shall be remitted to the State Treasury, there to be deposited as special revenues to the credit of the Department of Arkansas State Police Fund, to be used for the operation, maintenance, and improvement of the Department of Arkansas State Police.~~

SECTION 10. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that certain driver license fees are needed to provide vital services to the Department of Arkansas State Police; that this act will allow the use of those fees; and that this act is immediately necessary to provide a source of revenues to the department. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on:

- (1) The date of its approval by the Governor;
- (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or
- (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.

*/s/J. Woods*

**APPROVED: 03/31/2015**