

State of Arkansas
92nd General Assembly
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As Engrossed: H3/7/19 S3/25/19
A Bill

HOUSE BILL 1443

By: Representative Vaught
By: Senator Hickey

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING RURAL DEVELOPMENT
AUTHORITIES; TO DECLARE AN EMERGENCY; AND FOR OTHER
PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING RURAL
DEVELOPMENT AUTHORITIES AND TO DECLARE AN
EMERGENCY.

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

*SECTION 1. Arkansas Code § 14-188-102 is amended to read as follows:
14-188-102. Legislative declarations.*

It is declared that:

(1) Many rural areas of Arkansas suffer from chronic unemployment and underemployment, lack of economic development, and patterns of land use which contribute to soil erosion, undue depletion of soil fertility resulting in inadequate income to support the farm family, and inadequate control of surface waters for flood prevention or drainage and for the maximum conservation and multiple utilization of water resources;

(2) Adequate healthcare facilities are essential to the economic development of rural areas of the state;

~~(2)~~(3) Economic development of rural areas of Arkansas is a public use and purpose for which public money may be spent and private property acquired and is a governmental function of state concern;

~~(3)~~(4) It is a proper public purpose for any state public body



to aid, as provided in this chapter, any rural development authority operating within its boundaries or jurisdiction, or any rural development project located in it, as the state public body derives immediate benefits and advantages from such an authority or project;

~~(4)~~(5) It is in the public interest that such rural development projects be commenced as soon as possible in order to alleviate these conditions of chronic unemployment, underemployment, and economic underdevelopment of rural areas which constitute an emergency; and

~~(5)~~(6) The necessity in the public interest for the provisions enacted in this chapter is declared as a matter of legislative determination.

SECTION 2. Arkansas Code § 14-188-103(5), concerning the definition of "area of operation" under the Rural Development Authority Act, is amended to read as follows:

(5) "Area of operation" means all areas within the county, except those areas lying within the corporate limits of cities and towns which have a population of more than ~~five thousand five hundred (5,500)~~ nine thousand (9,000) or such part of the area as may be designated as an area of operation ~~pursuant to the provisions of~~ under this chapter;

SECTION 3. Arkansas Code § 14-188-103(7), concerning the definition of "rural development project", "development project", or "project" under the Rural Development Authority Act, is amended to read as follows:

(7) "Rural development project", "development project", or "project" means, ~~but is not limited to~~ without limitation, any work or undertaking:

(A) To develop recreational facilities;

(B) To acquire the types of land enumerated for any of the following purposes:

(i) Submarginal or low-yielding land to convert it to conservation, grazing, forestry, fish and wildlife propagation, or recreation or desirable long-range economic uses;

(ii) Land suitable for cultivation that, because of diverse ownership or location, may be made available by the owners of it and consolidated with other similar tracts in the establishment of adequate farming units or consolidated with land devoted to uses other than crop

production;

(iii) Land suitable for cultivation which becomes available in large blocks upon the death or retirement of the operator or which, because of technological changes or economic conditions, may be made available by the owners of it for diverse ownership and operations as adequate farming units;

(iv) Land necessary or desirable for soil and water conservation, flood prevention, watershed protection, drainage, water storage and use, anti-pollution or sanitation uses and other public services or facilities, or necessary rights-of-way and access roads; ~~or~~

(C) For installation, construction, and improvements to utility facilities, roads, parks, conservation practices and measures, flood control and drainage structures and facilities, dams, wells, and reservoirs, pipelines, waterworks, and other devices for the development, storage, and utilization of water for agricultural, domestic, industrial, and community purposes, the development or improvement of sanitation measures, including sewage and sewage disposal facilities and anti-pollution measures, and the construction, operation, maintenance, and repair of any housing project, or part of it; or

(D) For the acquisition, construction, operation, maintenance, and improvement of healthcare facilities;

SECTION 4. Arkansas Code § 14-188-103, concerning definitions under the Rural Development Authority Act, is amended to add an additional subdivision to read as follows:

(9) "Healthcare facilities" means facilities for furnishing physical or mental healthcare services, including without limitation:

(A) Hospitals, emergency medical care facilities, and related facilities; and

(B) Real property, personal property, or mixed property of any kind, including:

(i) Rights-of-way;

(ii) Utilities;

(iii) Materials;

(iv) Equipment;

(v) Fixtures;

- (vi) Machinery;
- (vii) Furniture;
- (viii) Furnishings;
- (ix) Buildings; and
- (x) Other related improvements.

SECTION 5. Arkansas Code § 14-188-118 is amended to read as follows:
14-188-118. Security for deposits.

(a) A rural development authority ~~may~~ shall, by resolution, provide that all moneys deposited by it shall be secured by:

(1) Obligations of the United States or of the state of a market value equal at all times to the amount of the deposits; ~~or~~

(2) Any securities in which savings banks may legally invest funds within their control; ~~or~~

(3) An undertaking with such sureties as shall be approved by the authority faithfully to keep and pay over upon the order of the authority any such deposits and agreed interest on them; or

(4) Other obligations allowed by law.

(b) All banks and trust companies are authorized to give any such security for such deposits.

SECTION 6. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that rural development authorities exist throughout the state to help address conditions of chronic unemployment, underemployment, and economic underdevelopment; that the Rural Development Authority Act was enacted decades ago and did not take into account population growth and the need for healthcare facilities in rural areas; and that this act is immediately necessary to update the Rural Development Authority Act to more effectively serve residents of rural areas. 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/Vaught

APPROVED: 4/9/19